

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 3256 - HB 3879

March 1, 2010

SUMMARY OF BILL: Requires a parent or caretaker relative receiving temporary assistance for needy families (TANF) services to participate in a parent education training class.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$1,251,700/One-Time
\$778,700/Recurring**

Assumptions:

- The Department of Human Services (DHS) assumes that the parent education class will be a one-time event and the volunteer program will be a continuing program throughout the school year.
- Currently there are approximately 62,000 TANF clients. Approximately 47 percent, 29,140 clients are exempt from work-related activities. The remaining 32,860 are required to participate in 30 hours per week of work or work-related activities.
- Based on current departmental contracts, DHS estimates the class will cost approximately \$18 per individual for materials and verification of attendance resulting in a one-time increase in expenditures of \$1,116,000 ($\$18 \times 62,000$).
- There are approximately 3,300 additional monthly TANF enrollees resulting in an estimated 39,600 new TANF enrollees each year. New enrollees will also have to participate in the parenting class resulting in an increase in recurring costs of \$712,800 ($39,600 \times \18).
- It is estimated that 75 percent of the 29,140 current TANF clients exempt from work-related activities or 21,855 clients will receive transportation at a rate of \$4 per day. There will be a one-time increase in expenditures of \$87,420 ($21,855 \times \4).
- It is estimated that 47 percent, or 18,612 ($39,600 \times 47\%$), of the new TANF enrollees each year will be exempt from work-related activities. Of the 18,612 enrollees, approximately 75 percent will receive transportation resulting in an increase in recurring expenditures of \$55,836 ($18,612 \times 75\% \times \4).
- It is estimated that five percent of the 29,140 current TANF clients exempt from work-related activities or 1,457 clients will receive child care at a rate of \$10.80 per day. There will be a one-time increase in expenditures of \$15,735 ($1,457 \times \10.80).
- It is estimated that 47 percent, or 18,612 ($39,600 \times 47\%$), of the new TANF enrollees each year will be exempt from work-related activities. Of the 18,612 new TANF enrollees who are exempt from work-related activities, approximately five percent will

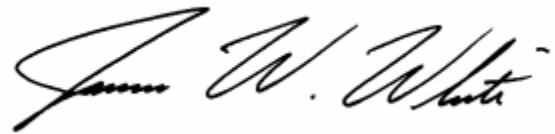
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receive child care resulting in an increase in recurring expenditures of \$10,050 (18,612 x 5% x \$10.80).

- The ACCENT and VIP systems will need modifications resulting in an increase in one-time expenditures of \$32,500 for 175 hours of analysis, design, programming, and testing for each system.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive, flowing style.

James W. White, Executive Director

/kml